

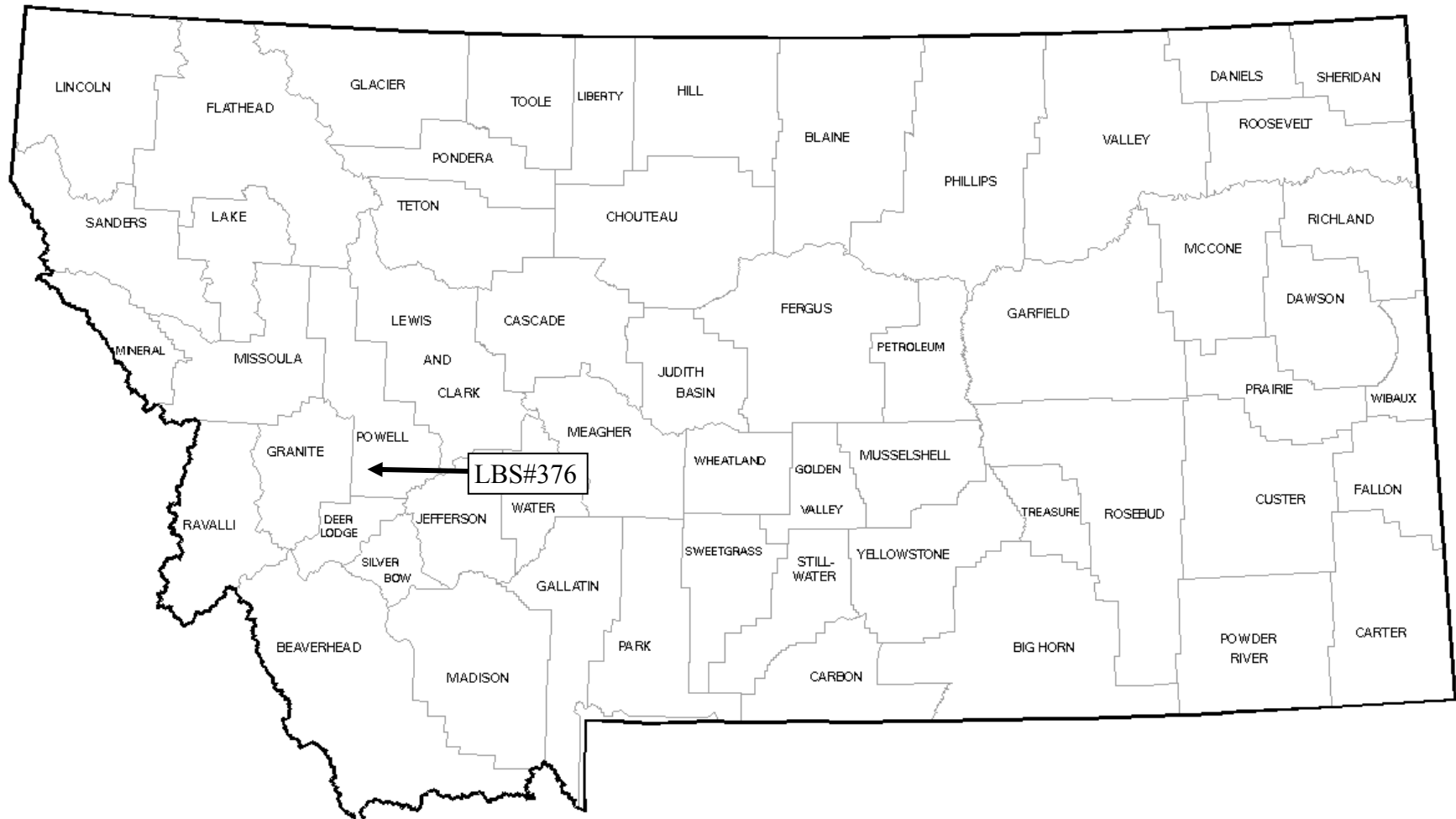
LAND BOARD AGENDA ITEM

June 18, 2007

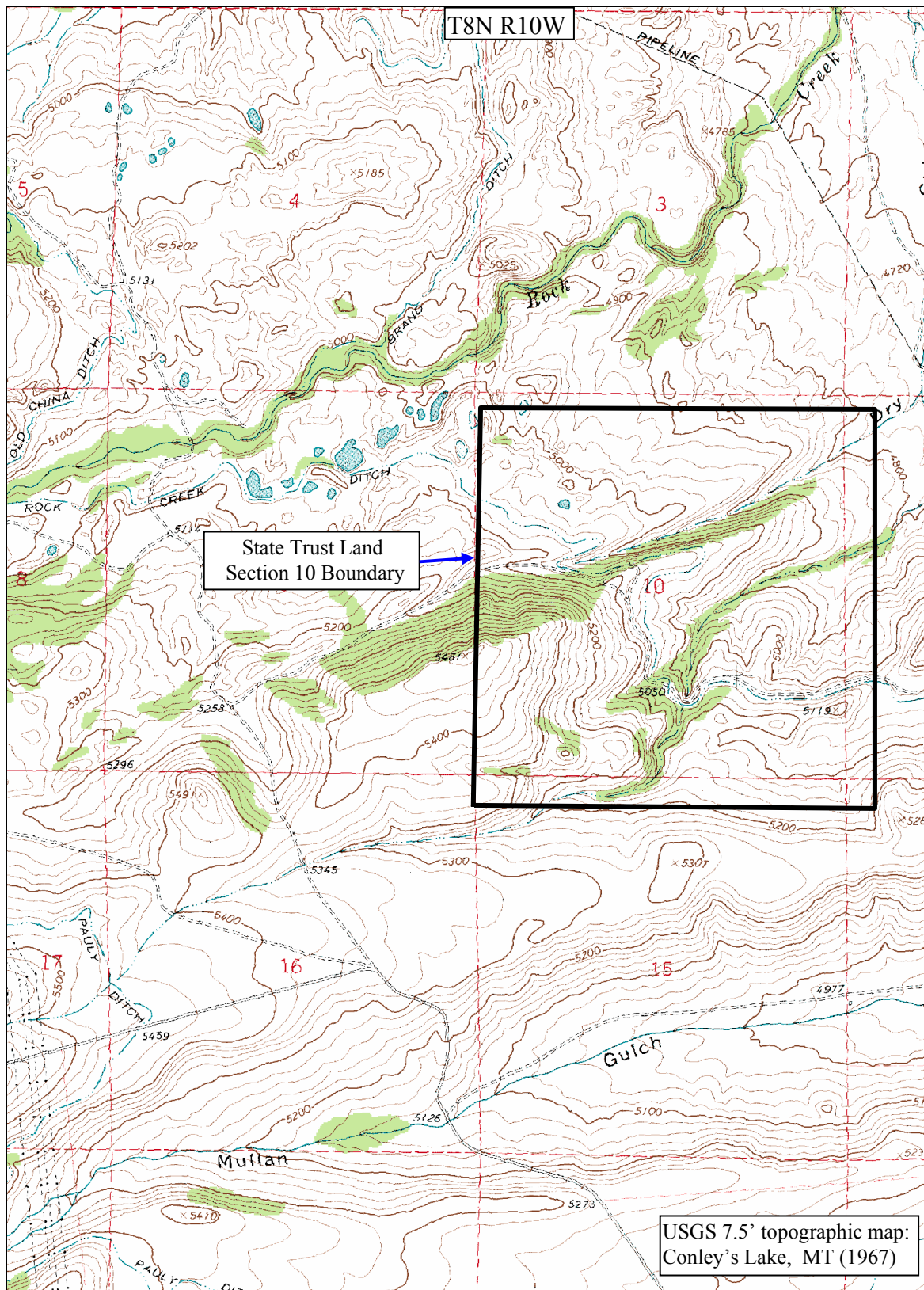
SET MINIMUM BID FOR LAND BANKING PARCEL # 376

Seller:	State of Montana, Department of Natural Resources and Conservation
Nominator:	Rock Creek Cattle Company, the lessee.
Location:	Approximately five miles northwest of Deer Lodge, MT within Powell County (T8N, R10W, S10)
Property Characteristics:	Primarily grassland with approximately 220 acres of timber.
Access:	No public access. The parcel is surrounded by private landholdings of Rock Creek Cattle Company.
Appraised Value with Access:	\$800,000 (\$1,250 per acre). No market evidence was present to support a value without access.
Proposed Use after Purchase:	If Rock Creek Cattle Company is the successful bidder on the purchase of Section 10; the conceptual plan is to develop up to 25 lots of the 220 approved lots in the northern portion of the section. The trust land would be sold with a deed restriction of development for 25 lots.
Joint Venture:	In order to offset the loss of revenue associated with future development potential, a conveyance fee as a percent per lot will be added as a condition of the sale. The ½ percent is a perpetual conveyance fee applying to every transfer of the property and improvements over time.
Recommendation:	The Director recommends that the Board set the minimum bid for Sale #376 at \$800,000 with deed restrictions on development, and with a conveyance fee.

ATTACHMENT A

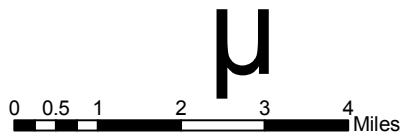
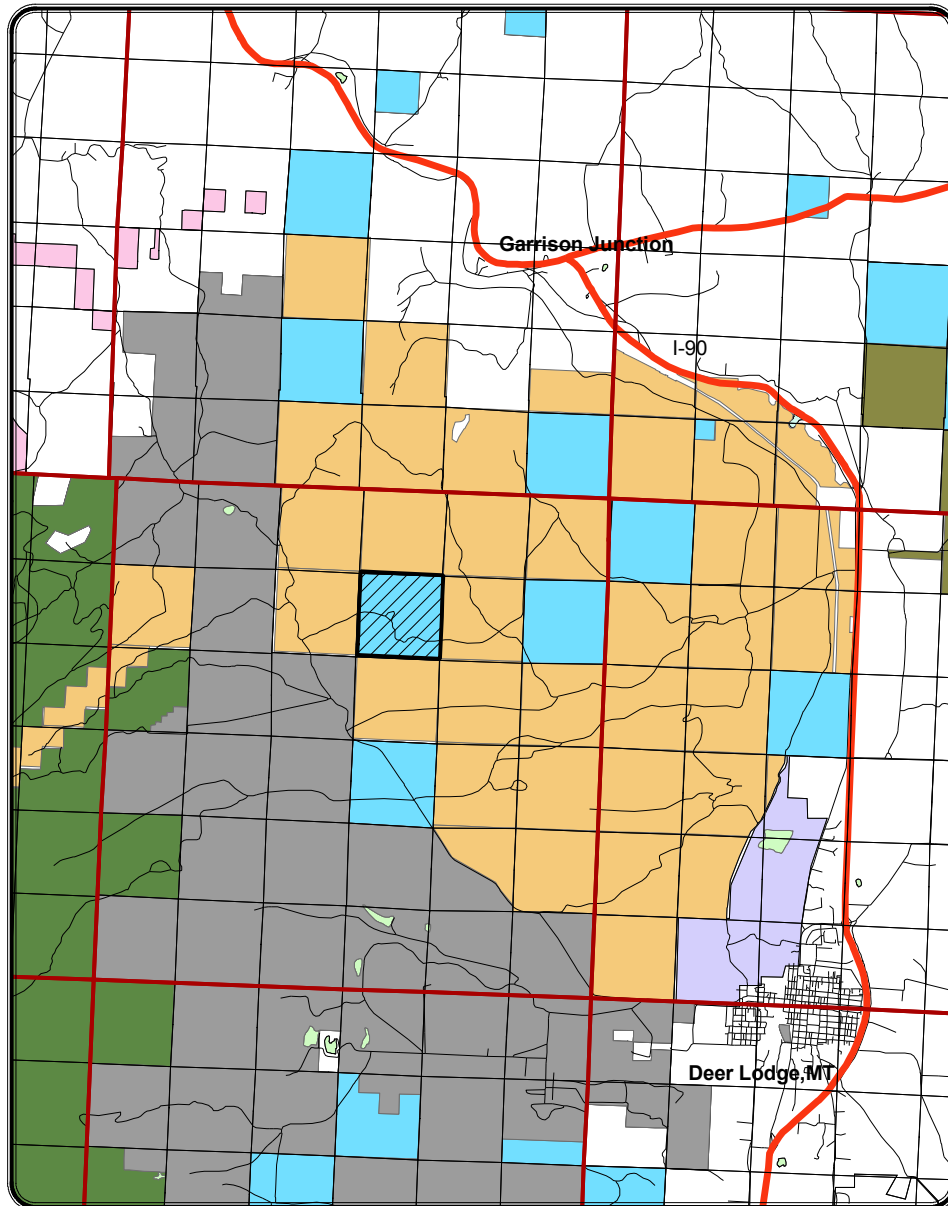


General location of State Trust Land Section 10, 8N10W



1:24,000 scale topographic map showing the State Trust Land Section 10 nominated for Land Banking by Rock Creek Cattle Co. in Powell County.

Land Banking Nomination for Section 10, Township 10 North Range 8 West



Prepared by: Liz Mullins
January 29, 2007